

## INCREASING SALES IN LOGISTICS *PĀRDOŠANAS APJOMA PALIELINĀŠANA LOĢISTIKĀ*

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**Abstract.** *With the past intense growth of international trading, a logistics sector is experiencing huge volumes of transportation by all modes of transport included. Still, being a business field, growing most rapidly of all and being crucial to facilitate the global businesses, logistics companies are still facing a high competition. Even with a high demand in services, transportation business has to find the ways of providing high quality, cost effective and adaptable services. Thus, this article depicts the main criteria necessary to achieve the increase in logistics business, as well as a good experience analysis of a company successfully operating in the field.*

**Keywords:** *changes in logistics sector, implementation of technologies in logistics, increasing sales, optimization of processes.*

### Introduction

In the competitive logistics industry, achieving sales growth is essential for companies to thrive amidst evolving market trends and technological advancements. This paper explores strategies utilized by logistics firms to boost sales, addressing challenges, and offering recommendations for sustained success in this dynamic sector.

**The aim of the research** is to explore how logistics companies increase sales, addressing key factors.

**Objectives of research are:**

- to uncover the primary methods used to increase sales in the field of logistics;
- to identifying potential obstacles and challenges faced by logistics companies in their efforts to increase sales;
- to present the case of a Lithuanian logistics company by depicting the recommended solutions to increase sales.

**The object of the research** is increasing sales in logistics.

**Research methods:** scientific literature analysis, structured interview. The results of the research are provided in the conclusion part of this paper.

### Key points of the increasing sales in logistics

In recent years, the logistics sector has been one of the fastest growing sectors worldwide. This dynamic industry is not only experiencing continuous growth but is also attracting attention due to constant changes and innovations that are changing the traditional approach to sourcing, warehousing, and delivery. One of the most important indicators of the logistics sector is the growth of sales, which has become a decisive factor in assessing the health and prospects of this sector.

Sales growth in the field of logistics is a multifaceted phenomenon influenced by both internal and external factors. Internal factors include effective supply chain management, optimal warehousing process, fast and efficient delivery mechanism and proper development

of goods and services. On the other hand, external factors such as economic conditions, technological development, variability of consumer needs and market competition have also had an important impact on sales growth in the logistics sector.

Increasing logistics sales is an important business goal to manage the supply chain more efficiently and increase profits. Here are some key points for increasing logistics sales:

- **Effective supply chain management:** effective supply chain management helps optimize warehousing, delivery, and other logistics processes. Technologies such as automation and data analytics can reduce the time and costs required to move goods from supplier to customer (*Christopher, 2016*).
- **Tailoring offers to customer needs:** by analyzing data about customer preferences, personalized offers and services can be created. This allows us to better meet market needs and increase customer loyalty (*Kotler & Keller, 2006*).
- **Expanding into new markets:** expanding into new markets can provide an opportunity to increase sales. Logistics strategies should be adapted to each new market to ensure efficient delivery of goods and services (*Kotler & Keller, 2006*).
- **Efficiency of warehousing and goods handling:** well-managed warehouses and efficient goods handling make it possible to reduce the time that goods spend in the warehouse and increase the availability of goods to customers. It can also reduce costs and increase profits (*Christopher, 2016*).
- **Optimizing transportation:** optimized transportation can help reduce costs and lead times. This includes route optimization, cargo consolidation and the use of efficient logistics technologies (*Christopher, 2016*).
- **Implementation of continuous improvements:** continuous improvement of logistics processes allows companies to be competitive in the market. This includes continuously analyzing processes, identifying, and implementing potential improvements, and providing customer feedback through data analytics (*Liker, 2004*).

Thus, the increasing movement of goods between countries and regions is one of the main factors driving the growth of sales in the field of logistics. Globalization and international trade open up new markets, promote exports and imports, and create greater levels of demand and supply. In addition, rapidly developing e-commerce and online trading platforms provide additional opportunities for logistics companies to reach new customers and expand their activities. To be able to supply the necessary services on time and gain profit, the logistics companies must embrace the effective changes in supply chain, warehouse and transportation management, constantly suggest the offers meeting the dynamics of customers' needs, and practice a constant development of new markets.

### **Changes that the increasing sales in logistics has introduced**

The heavy burden of a wave of change has recently engulfed the logistics sector, which has been influenced by rapidly changing consumer needs, technological development, and globalization. Growing sales in the logistics sector have introduced several significant changes that are worthy of detailed analysis.

**E-commerce and online commerce:** the strong growth trend of online commerce has led logistics companies to reorganize their supply chains and increase delivery speed and efficiency. The growth of online sales required the integration of new technologies and the implementation of efficient inventory management systems (*Fernie & Sparks, 2014*).

**Rising consumer expectations:** consumers are becoming increasingly demanding in terms of delivery speed, security, and convenience. Therefore, logistics companies must invest in new technologies to meet these expectations and maintain a competitive advantage (*Christopher, 2016*).

**Robotics and automation:** in the logistics sector, the use of automated systems and robots in warehouses, delivery center operations and even packaging processes is increasing. This helps reduce labor costs, improve efficiency, and reduce the risk of errors (*McKinsey, 2019*).

**Increasing focus on sustainability:** as public awareness of environmental protection grows; logistics companies must look for sustainable delivery methods. This includes planning routes more efficiently, using less energy-efficient vehicles and reducing waste (*McKinnon, 2010*).

**Data analytics and artificial intelligence:** logistics companies are beginning to use data analytics and artificial intelligence more intensively to optimize their supply chains, predict demand and reduce excess inventory. This helps to manage the flow of goods more efficiently and reduce costs (*Fernie & Sparks, 2014*).

**Mobile technology:** logistics workers use mobile technology to manage warehouse operations, deliveries, and inventory faster and more efficiently. Mobile apps and tools also help improve communication between different chains and increase collaboration (*Jackson, 2023*).

**International Trade:** globalization is driving international trade, requiring logistics companies to adapt to more complex supply chain and inventory management processes. This requires expanding logistics networks, adapting to the legal acts and cultural differences of different countries, and handling customs formalities more efficiently (*Anderson, 2023*).

These changes create an account of challenges and opportunities for the logistics sector, encouraging the further process of innovation and increasing efficiency. To maintain a competitive advantage in this rapidly changing environment, logistics companies must be flexible, ready to innovate and quickly adapt to changing market conditions.

### **Effective methods implemented in a logistics company: the case of Tomegris, UAB**

In order to find out how the logistics companies raise their sales, one Lithuanian rapidly growing logistics company, Tomegris, UAB, was interviewed. The aim of the research was to analyse the issues that the company faces in a rapidly growing demand of logistics services and high competition in the field. Also, it was important to depict the effective methods helping increase sales and the market share too.

For the study a structured interview as a method was conducted.

To start with, Tomegris, UAB is a transportation and logistics services provider. From 2003 until now the company has experienced a constant rapid growth and fast increase in the number of clients. It is a company that provides services for mainly transporting cargo that is non-standard in size and weight. Tomegris, UAB is known and works throughout Europe, including the Scandinavian countries (*Tomegris UAB, 2024*).

Regarding the key points in sales, the company states, that the quality of their services is one of the most important aspects in logistics. Quality assurance is the essential part of the services, as it is the main concern of their customers.

Nevertheless, a timely delivery of the cargo is very important to maintain a good relationship with customers. To gain trust from customers, companies need to do everything as agreed and even better.

It is also very significant to communicate with clients, according to the representative, especially it is very useful to communicate face to face, go on business trips and discuss customers' needs and expectations. Another important part is the agreement of a suitable price for both parties, this feature is also distinguished by the company.

The team of this company is very professional with a lot of experience and performs the work reliably and at a favourable price. This helped them increase their value in Lithuania and throughout Europe.

In general, it can be concluded that this Lithuanian company Tomegris, UAB pays a lot of attention to satisfying the customers' needs by providing a high-quality and timely delivery of cargo, which guarantees a good name, reputation, trust among customers, and obviously, an increase of sales.

### Conclusions

1. In conclusion, it can be said that the effective increase of logistics sales is an essential business goal, as it allows companies to optimally manage the supply chain, adapt offers to customer needs and expand into new markets. Continuous improvement of technology, continuous learning and cooperation with suppliers and partners are very important. All this provides efficient supply chain management and profit increases.
2. Constant changes in the logistics sector encourage companies to analyse their operations and look for new, efficient management methods that would be effective. The most important points that should be evaluated are the following: electronic and online trade, satisfaction of customer wishes, robotization, the importance of sustainability and artificial intelligence. All this leads companies to invest in innovation and develop more efficient activities.
3. The study of Lithuanian logistics company Tomegris, UAB showed that companies must prioritise their customers' needs. Customer relationship management must rely on maintaining a face-to-face contact and ensuring the cooperation. Good pricing strategy and suitable company reputation can not only maintain, but also increase the sales and gain a bigger market share in the field.

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